

AOT in Action

TOURISM WORKS FOR ARIZONA!

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from the Director:

Good morning.

The Arizona-Mexico Commission (AMC) held its summer Plenary Session in Tucson last week. I and several members of the AOT staff attended the informative two–day event that helps unite government officials from both Arizona and Mexico. The event, which was attended by Governor Napolitano and Sonoran Governor Bours, really strengthens the open relationship we have with our southern neighbor and helps to facilitate cross-border trade, business and community networking in addition to such issues as agriculture, education, health services, border issues, transportation, real estate, and tourism.

The Plenary is a tremendous opportunity to stay connected to the Mexican tourism community as well as gather valuable information on new tourism trends and issues that can affect Arizona's travel industry.

Have a great week.

Margie A. Emmermann Director

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Arizona Office of Tourism

AOT News Flash

Save the Date: The 27th Annual Arizona Governor's Conference on Tourism

This year's 27th Annual Arizona Governor's Conference on Tourism is July 11-13 at the Arizona Biltmore Resort and Spa. The program will be a dynamic mix of fresh industry information and resources that can help you plan for another year of marketing Arizona to audiences around the world. Breakout sessions and speakers will teach you how to take tourism marketing and promotion to a new level. With so many exciting opportunities happening nationally, the Arizona Office of Tourism and its association partners are committed to bringing you the most up-to-date tools available for tourism professionals. For more information and to register for the event, please visit www.aztourismconference.com.

Arizona Tourism University (ATU) – How to Build an Itinerary and Conduct a FAM Tour

AOT is proud to present the next series of ATU workshops "How to Build an Itinerary and Conduct a FAM Tour." This workshop series will answer common questions such as what is a Familiarization (FAM) tour, why does AOT conduct FAM tours, is a FAM tour right for your community, and how to develop and execute an itinerary. Below is a listing of workshop times and locations. To register, please contact Sarah Martins by phone at 602-364-3687 or via e-mail at smartins@azot.gov.

June 20, 2007 1 p.m. – 3 p.m. Mountainside Inn 642 East Route 66 Williams, AZ 86046

June 21, 2007 1 p.m. – 3 p.m. Cochise College Benson Center 1025 State Route 90 Benson, AZ 85602

June 22, 2007 1 p.m. – 3 p.m. Crowne Plaza San Marcos Golf Resort One San Marcos Place Chandler, AZ 85225

Rural Tourism Development Grant Program Fiscal Year 2008 – Coming Soon!

The release of the Rural Tourism Development Grant Program (RTDGP) guidelines for fiscal year 2008 is coming soon! The primary objective of the competitive grant program is to provide coordinated funding for tourism related infrastructure projects. These funds assist rural economic development through tourism to strengthen the regional and local economies and expand tourism in rural and Tribal communities throughout Arizona. The primary function of the infrastructure project must be tourism development and the project must be designed to initiate economic

growth and enhance future tourism development. For more information, please contact Karen McClurg at kmcclurg@azot.gov.

Teamwork for Effective Arizona Marketing (TEAM) Awards Announced

The Teamwork for Effective Arizona Marketing (TEAM) awards have been announced. The grants were awarded to communities, regional tourism partnerships, tribal entities and statewide associations that meet the program requirements and are able to match the requested funds. Forty-seven communities, including six Native American organizations, will be impacted by the grant awards, which range from \$1,824 to \$130,000. The total amount of TEAM grant award monies to be distributed for fiscal year 2008 is \$1,536,365. All applicants must attend one of the TEAM workshops held statewide by AOT to gain eligibility. The workshops educate the participants on developing a marketing plan with measurable results and writing an effective grant application. AOT also encourages organizations to create regional partnerships, making them eligible for more TEAM grant funding. For more information on the TEAM program, please contact Karen McClurg, Tourism Education and Development Manager at 602-364-3708 or via e-mail at kmcclurg@azot.gov.

Trippin' with AOT

A Surprise Performance at TAP Dance

Jennifer Sutcliffe, Travel Industry Manager, represented the AOT at the 2nd Annual Travel Alliance Partners (TAP) Dance last week in Palm Springs. TAP Dance is a two-day networking event that brings together leaders in the tour operator business and leading travel destinations and suppliers to help create unique and adventurous itineraries for travel programs of the exclusive TAP. The events consists of 32 exclusive tour operators from across the U.S. and Canada who have come together to offer Guaranteed Departures, which promises that consumers can book their tours with the confidence the dates will not be cancelled due to lack of participation. The format of the event kept meetings (or "casting calls") comfortable yet highly productive and often focused on the supplier, an unusual tactic in this industry. In fact, to show their gratitude for all the suppliers do, and to everyone's surprise, the operators treated all the suppliers to a spa treatment following the appointments. TAP also treated attendees to the talents of its own industry by allowing suppliers to "audition" for next year's Dance and perform on the USO stage at the Palm Springs Air Museum on the final evening. Suppliers, including Arizona's own April Bourie, Jenefer Johnson and Jennifer Sutcliffe, sang, danced and performed their way through an evening of creativity and humor. For more information on TAP Dance, please contact Jennifer Sutcliffe at 602-364-3693 or via e-mail at jsutcliffe@azot.gov.

Industry News

Passport Rule Delay in the Works

A Senate committee voted Thursday to delay by 18 months passport requirements for U.S. travelers entering the country by land or sea from Canada and Mexico. The Senate Appropriations Committee unanimously approved a delay by 18 months to June 1, 2009, because of the huge backlog in issuing new U.S. passports. Demand for passports surged after a rule change at the beginning of the year required passports for air travel between the U.S. and Canada, Mexico, Bermuda and the Caribbean. The full Senate is expected to consider the rule's delay in coming weeks. The new passport requirements for land and sea travel, which also means Canadians traveling into the U.S. will have to show passports or identification that can be scanned at borders, was supposed to begin on Jan. 1, 2008. In response to the passport delays and

the start of the busy summer travel season, the State Department announced last week that it was relaxing the passport requirement for air travelers. That requirement was put off until Oct. 1 for air travelers who could show that they had applied for passports. However, they still must show proof of U.S. citizenship, such as a birth certificate or naturalization document. (Los Angeles Times.com; Reuters)

Discover America Offers New Plan for Visa Entry Process

The U.S. needs to do a better job of welcoming international visitors rather than treating them as security threats, says Tom Ridge, the first chief of the Department of Homeland Security. Ridge, who is working as a consultant to the Discover America Partnership, today joins leaders of the partnership and the Travel Industry Association to unveil a study aimed at recommending ways to treat foreign visitors better without compromising national security. Among the group's recommendations: A \$10 fee for entry by some international travelers. It would most likely be collected by airlines and would apply to visitors from countries where visas are waived--such as the U.K., Spain, Germany and Japan. Because visitors from other countries already must pay \$100 for a visa, they would be exempt. The fee would generate \$200 million per year that could be used to finance more Customs officers, better foreign marketing of U.S. travel and a system to record visitors' exits to improve security. Consultant Tourism Economics, which also worked on the study, estimates Ridge's recommendations would increase foreign visits by 1.6 million visitors annually. Ridge also recommended expanding the Visa Waiver Program and establishing an international trusted traveler program. (*Page 6B, USA Today*)

Refunds Due for Passports Not Expedited

Frustrated travelers who paid an extra \$60 to get their U.S. passports expedited and still had to wait for them can now get a refund from the government. The decision to refund the money, disclosed in a State Department document sent to members of Congress, represents the latest effort to come to grips with the massive backlog in passport applications that has ruined or delayed summer vacation plans for thousands of Americans. The delays were largely due to the new rule that requires U.S. citizens to have passports when flying to Canada, Mexico, the Caribbean and Bermuda. Last week, the government announced it was suspending that rule until the end of September, as long as travelers to those countries carried a receipt showing they had applied for a passport. Passport applicants who paid for expedited service but did not get it should send written refund applications to the State Department's refund office in Washington. They should provide the passport numbers, if available, their names, dates and places of birth, the approximate dates they applied for the passports, as well as mailing addresses and phone numbers. (*Pages D6, Wall Street Journal; 1C, Miami Herald*)

Denver Drew Record Number of Tourists Last Year

Denver drew a record number of tourists last year, buoyed by a new convention center hotel and an extra \$4 million spent on marketing. Tourist visits to Denver grew 13 percent from 2005, the highest growth rate in the city's history, according to data released Wednesday. The previous record was 7 percent growth in 2001. About 11.7 million overnight visitors went to Denver last year, up from 10.4 million in 2005, according to a Longwoods International study commissioned by the Denver Metro Convention & Visitors Bureau. (*Denver Post.com/Business*)

Mixing Business with Family

Business travelers took family members with them on 14 percent of the 435 million business trips they made last year, according to the most recent data of travel research firm D.K. Shifflet & Associates, of McLean, VA. That's up from 11 percent in 2000. About 61 percent of business travelers who traveled last year by plane with family members were highly satisfied with their

trips, D.K. Shifflet's survey of 85,000 households shows. About 55 percent who didn't travel with family were highly satisfied. The line between business and leisure travel has become blurry, says Richard Blamey, senior vice president of Conrad Hotels & Resorts, which operates luxury properties worldwide. (*Page 5B, USA Today*)

Long Weekends Sub for Long Vacations

The two-week vacation is fast disappearing, says USA Today. Instead, employees are using their vacation days to extend weekends and take shorter breaks from the office. The shift is being blamed partly on rising gasoline prices as well as mounting pressure for workers to be available to clients around the clock. And more dual-income couples are finding it difficult to coordinate vacations due to work demands. Only 14 percent of Americans plan to take a two-week vacation in 2007, down from 16 percent in 2006, according to a new study by Harris Interactive for Expedia.com, the online travel site. One-third of workers do not always use all of their vacation days. (*Page 2B, USA Today*)

Behavioral Advertising on Target to Explode Online

After years of deriding the Internet as "only" a direct advertising vehicle, major brand marketers are discovering powerful new ways to target their users online, and major online players are clearly noticing. "Nearly \$10.5 billion sends a very clear message about future strategies," says David Hallerman, eMarketer Senior Analyst and the author of the new eMarketer report, Behavioral Targeting: Advertising Gets Personal." "Four deals in 35 days Google-DoubleClick, Yahoo!-Right Media, WPP Group-24/7 Real Media and Microsoft-aQuantive are a clear indication of the onrush of brand-focused advertisers onto the Web." Internet advertising is no longer all about paid search. Targeted online display advertising is exploding. Spending for Internet advertising with a behavioral targeting component will soar from \$575 million this year to \$1 billion in 2008, and that still represents only 11 percent of the US display, rich media and video market. "With the greater attention paid to overall ad targeting, and the rising focus on brand messages online," says Mr. Hallerman, "this market will nearly quadruple by the end of 2011, growing to \$3.8 billion." There are three key reasons for the large spending gains:

- Behavioral targeting helps marketers reach a more engaged audience with fewer ad impressions
- Behavioral targeting helps publishers monetize their "long tail" pages the non-premium or remnant inventory that either is sold for less money or remains unsold
- Even though individuals are often not aware of the process, many tend to find ads targeted by their actions to be more relevant to their needs, and therefore more palatable or even welcomed.